



4004

ANNUAL REPORT

OF

Name: TENNEY TELEPHONE COMPANY, LLC

Principal Office: 525 JUNCTION ROAD
MADISON, WI 53717

For the Year Ended: DECEMBER 31, 2002

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. The annual report due date is April 1 of the following year. (Example: The 2001 report is due April 1, 2002.) If that date falls on a weekend or holiday, the annual report is due the following business day.
2. **Electronic filing via e-mail is required.** Go to the Public Service Commission of Wisconsin's web page at <http://psc.wi.gov>, click on Telecommunications and click on Annual Report for Incumbent Local Exchange Carriers (LECs).
3. LEC entities with no revenues for the report year are required to file a LEC annual report.
4. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records of the utility in conformity with the Uniform System of Accounts prescribed by the Public Service Commission in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
5. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.
6. Wherever information is requested in a "note," please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
7. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. The program will convert the minus sign to parentheses if a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
8. Please report all dollar amounts to the nearest whole dollar.
9. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
10. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, the previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
11. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
12. The LEC annual report program incorporates provisional confidentiality capability for selected items, based on the Commission's confidentiality determination dated February 5, 2002.
13. It is not necessary to sign the signature page.
14. **Edit Check, Confidential Listing, Exported Annual Report, and Export Status Files;
Filing the Completed Report:**

GENERAL RULES FOR REPORTING

Program edit checks, which are located under the Admin dropdown menu, should be run at the completion of data entry. Each edit problem lists pertinent schedule(s) as well as the nature of the problem (such as "does not equal"). Edit items should be reviewed and corrected; unresolved problems should be footnoted in the report, if necessary. This screen automatically saves the edit checks to an .edt file that may be viewed and edited (for purposes of adding necessary notations) using a word processing package such as WordPad.

The confidential listing, which is located under the Admin dropdown menu, should also be run at the completion of data entry. This will create a .clf file.

Select the annual report to export from the Main-Report Selection window. Click Admin, Export Data to PSC to start the export process. This will create an .mdb file, which will subsequently be encrypted to a file with an .sen extension. An export status file is also created (with a .txt extension). The export status report file may also be viewed in a word processing package such as WordPad. If you encounter any export errors, please contact the Commission for assistance.

The .edt, .clf, .sen, and .txt files will be zipped to a file with a .zip extension. An e-mail message will be created, addressed to pscrcs@psc.state.wi.us. The .zip file is automatically attached to the e-mail message. After the e-mail is created, it will automatically be sent to the Commission.

Once received and processed by the Commission, you will receive a response indicating that your annual report has been received and is being processed. You will be notified if there are any problems with the annual report filing.

15. Name Changes:

If a name change is identified in the report, documents from the State of Wisconsin Department of Financial Institutions (DFI) also must be submitted to the Commission:

A domestic corporation should send a copy of the stamped page from its Articles of Amendment as filed with DFI. A foreign corporation should send a copy of their Amended Certificate of Authority as issued by DFI.

These documents can be obtained by:

1. Calling DFI at (608) 261-7577;
2. Contacting DFI on the web at www.wdfi.org; or
3. By writing to DFI at P.O. Box 7846, Madison, WI 53707-7846.

While the electronic annual report filing may detail the name change (i.e., date of the change and the affected entities with their respective four-digit Commission utility identification numbers), a name change is not effective in the Commission's records until a separate notification letter is sent to the Commission including documentation to confirm registration of that change with the State of Wisconsin Department of Financial Institutions.

16. Changes to the Annual Report Subsequent to Filing:

If making revisions to the report subsequent to filing with the Commission, resubmit the report via e-mail following the procedures set forth above in item number 14. New edit check, confidential listing, exported annual report, and export status files should be created as a result of the revisions.

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
CO	.....	Central Office
Depr	.....	Depreciation
Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
FOY	.....	First of Year
Info	.....	Information
ITC	.....	Investment Tax Credit
Misc	.....	Miscellaneous
Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
Prop	.....	Property
Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
Svcs	.....	Services
Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: TENNEY TELEPHONE COMPANY, LLC
Utility Location: 525 JUNCTION ROAD
MADISON, WI 53717

Utility Web Site Address:

When was utility organized?: 01/01/1904

Report any change in name and the effective date:

TENNEY TELEPHONE COMPANY, LLC (07/31/2002)

Telephone numbers for potential customers to contact company:

Business Customers: (608) 685 - 4469 Ext:

Residential Customers: (608) 685 - 4469 Ext:

Officer in charge of correspondence concerning this report

Name: JOHN R. ERPENBACH
Title: ACCOUNTING MANAGER

Office Address: 525 JUNCTION ROAD
MADISON, WI 53717

Fax Number: (608) 664 - 4519
Telephone Number: (608) 664 - 4289
Email Address: john.erpenbach@tdstelecom.com

Individual or firm, if other than utility employee, preparing this report

Name: BRADLEY A. KRAUSE
Title: SENIOR ACCOUNTANT
Firm: TDS TELECOM
Office Address: 525 JUNCTION ROAD
MADISON, WI 53717

Fax Number: (608) 664 - 4519
Telephone Number: (608) 664 - 4316
Email Address: brad.krause@tdstelecom.com

Person responsible for financial information contained in report

Name: TROY A. ULLMAN
Title: SENIOR ACCOUNTANT
Office Address: 525 JUNCTION ROAD
MADISON, WI 53717

Fax Number: (608) 664 - 4519
Telephone Number: (608) 664 - 4531
Email Address: troy.ullman@tdstelecom.com

IDENTIFICATION AND OWNERSHIP

Person responsible for statistical information contained in report

Name: VARIOUS CONTACTS
Title: VARIOUS CONTACTS

Office Address: 525 JUNCTION ROAD
 MADISON, WI 53717

Fax Number: (608) 999 - 9999
Telephone Number: (608) 999 - 9999
Email Address: N/A

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: NONE
Address: NONE
 NONE, WI 00000

Number of Shares Held:
Beneficial Owner: NONE

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name: NONE
Form of Interest: NONE
Extent Of Interest: NONE

OFFICERS AND DIRECTORS**Name, Title/Occupation
and Business Address**

Name: DANIEL V. GREGORY Title/Occupation: VICE PRESIDENT Business Address (1): 8501 EXCELSIOR DRIVE Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	1
<hr/>	
Name: DAVID P. JONES Title/Occupation: SECRETARY/TREASURER Business Address (1): 525 JUNCTION ROAD Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	2
<hr/>	
Name: JOHN R. ERPENBACH Title/Occupation: ASSISTANT TREASURER Business Address (1): 525 JUNCTION ROAD Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	3
<hr/>	
Name: MICHEAL A. PANDOW Title/Occupation: PRESIDENT Business Address (1): 8501 EXCELSIOR DRIVE Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	4

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	857,956	917,439	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	106,243	111,112	2
Plant Nonspecific Operations Expense	255,592	270,869	3
Customer Operations Expense (6610-6620)	160,228	173,337	4
Corporate Operations Expense (6710-6790)	155,471	166,891	5
Other Operating Income and Expense (7100)	240	240	6
Operating Taxes (7200)	84,217	85,247	7
Total Operating Expenses	761,511	807,216	8
Net Operating Income	96,445	110,223	9
Other Income			
Nonoperating Income and Expense (7300)	2,478	4,203	10
Nonoperating Taxes (7400)	561	778	11
Interest and Related Items (7500)	26,571	29,927	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	4,009	352	14
Total Nonoperating Income	(20,645)	(26,150)	15
Net Income	75,800	84,073	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

TELEPHONE PLANT

Telephone plant is stated as the original cost of construction including capitalized costs such as taxes, pensions, and other fringe benefits, and an allowance for funds used during construction (AFUDC).

DEPRECIATION

The company provides depreciation for financial reporting purposes using the straight-line method. Renewals and betterments of units of property are charged to telephone plant in service. The original cost of depreciable property retired, together with removal cost less any salvage realized, is charged to accumulated depreciation. Repairs and renewals of minor items of property are charged to maintenance expense. No gain or loss is recognized in connection with ordinary retirements of depreciable property.

REVENUES

Operating and nonoperating revenues are recognized when earned regardless of the period in which they are billed.

Compensation for all intrastate service is received through tariffed access charges billed to the long distance carrier and retained by the company.

Compensation for interstate access services is received through tariffed access charges filed by the National Exchange Carrier Association (NECA) with the Federal Communications Commission (FCC) on behalf of the member companies. These access charges are billed by the company to the interstate long distance carrier, and pooled with like revenues from all NECA member companies.

PENSION

The company is a member of the Telephone and Data Systems, Inc. Employees' Pension Trust I. This qualified, noncontributory defined contribution pension plan covers substantially all company employees. Under this plan, pension benefits and costs are funded currently.

INCOME TAXES

The company is included in the TDS consolidated federal income tax return. For financial reporting purposes, the company computes its federal income tax by applying the statutory rate to all its taxable income.

The company uses the full-normalization method for all timing differences with the resulting book-tax differences being provisioned through the deferred tax accounts. Deferred income taxes resulting from accelerated depreciation used for income tax purposes had previously been provided through the depreciation accounts. Such deferred taxes are credited to income as the related timing differences reverse. Investment tax credits

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

income as the related timing differences reverse. Investment tax credits resulting from investments in qualifying telephone plant and equipment have been deferred and are being amortized to income over the service lives of the related property.

2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

3. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*			1
Cash (1130)	201,894	159,559	2
Special Cash Deposits (1140)		0	3
Working Cash Advances (1150)	300	350	4
Temporary Investments (1160)		0	5
TOTAL CASH AND EQUIVALENTS	202,194	159,909	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	18,482	20,003	6
Accounts Receivable Allowance-Telecom (1181)*	700	0	7
Net: Telecommunications Accounts Receivable	17,782	20,003	
Other Accounts Receivable (1190)*	156,445	103,575	8
Accounts Receivable Allowance--Other (1191)*	19,313	0	9
Net: Other Accounts Receivable	137,132	103,575	
Notes Receivable (1200)*		0	10
Notes Receivable Allowance (1201)*		0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	323	397	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	155,237	123,975	
SUPPLIES			
Inventories (1220)*	7,996	11,771	13
TOTAL SUPPLIES	7,996	11,771	
PREPAYMENTS			
Total Prepayments (1280)*			14
Prepaid Rents (1290)		0	15
Prepaid Taxes (1300)	540	810	16
Prepaid Insurance (1310)	4,460	3,872	17
Prepaid Directory Expenses (1320)	427	106	18
Other Prepayments (1330)	2,446	3,661	19
TOTAL PREPAYMENTS	7,873	8,449	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	480	480	20
TOTAL OTHER CURRENT ASSETS	480	480	
TOTAL CURRENT ASSETS	373,780	304,584	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
RTB Class B Stock (1402)*		0	22
Other Investments in Nonaffiliated Companies (1402)*		0	23
Nonregulated Investments (1406)*	3,120	6,852	24
Unamortized Debt Issuance Expense (1407)*	1,094	1,142	25
Sinking Funds (1408)*		0	26

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*		0	27
TOTAL INVESTMENTS	4,214	7,994	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	15,528	17,426	28
Deferred Maintenance and Retirements (1438)*		0	29
Deferred Charges (1439)*		0	30
TOTAL DEFERRED CHARGES	15,528	17,426	
TOTAL NONCURRENT ASSETS	19,742	25,420	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	3,361,054	3,269,172	31
Less: Accumulated Depreciation (3100)*	1,986,607	2,020,013	32
Less: Accumulated Amortization--Capitalized Leases (3410)*		0	33
Less: Accumulated Amortization--Leasehold Improvements (3420)*		0	34
Less: Accumulated Amortization--Intangible (3500)*	152,105	0	35
NET TELECOMMUNICATIONS PLANT IN SERVICE	1,222,342	1,249,159	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*		0	36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*		0	37
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*		0	38
Less: Accumulated Depreciation--Nonoperating (3300)*		0	39
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	19,069	9,923	40
TOTAL TPUC	19,069	9,923	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*		0	41
Less: Accumulated Amortization--Other (3600)*		0	42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	1,241,411	1,259,082	
TOTAL ASSETS AND OTHER DEBITS	1,634,933	1,589,086	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	115,235	108,091	1
Notes Payable (4020)*		0	2
Advance Billing and Payments (4030)*	8,300	6,000	3
Customer Deposits (4040)*		0	4
Current Maturities--Long-Term Debt (4050)*	26,728	25,816	5
Current Maturities--Capital Leases (4060)*		0	6
Income Taxes--Accrued (4070)*	10,103	29,277	7
Other Taxes--Accrued (4080)*	3,679	2,197	8
Net Current Deferred Operating Income Taxes (4100)*		0	9
Net Current Deferred Nonoperating Income Taxes (4110)*		0	10
Other Accrued Liabilities (4120)*	6,387	5,913	11
Other Current Liabilities (4130)*	14,821	14,680	12
TOTAL CURRENT LIABILITIES	185,253	191,974	
LONG-TERM DEBT			
Funded Debt (4210)*	494,581	521,411	13
Premium on Long-Term Debt (4220)*		0	14
Discount on Long-Term Debt (4230)*		0	15
Reacquired Debt (4240)*		0	16
Obligations Under Capital Leases (4250)*		0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*			19
TOTAL LONG-TERM DEBT	494,581	521,411	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	10,899	19,316	20
Unamortized Operating ITC--Net (4320)*		0	21
Unamortized Nonoperating ITC--Net (4330)*		0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	92,521	78,613	23
Net Deferred Tax Liability Adjustments (4341)*	13,375	15,010	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*		0	25
Other Deferred Credits (4360)*		0	26
Deferred Tax Regulatory Liability (4361)*	2,153	2,416	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	118,948	115,355	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	166,750	166,750	28
Additional Paid-in Capital (4520)*		0	29
Treasury Stock (4530)*		0	30
Other Capital (4540)*		0	31
Retained Earnings (4550)*	669,401	593,591	32
TOTAL STOCKHOLDERS' EQUITY	836,151	760,341	
TOTAL LIABILITIES AND OTHER CREDITS	1,634,933	1,589,081	

IMPORTANT CHANGES DURING THE YEAR

1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

None.

2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

An alternative regulation plan was approved in 2002 and became effective 4/1/2002.

The company was reorganized from a Wisconsin C corporation to a Delaware LLC.

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
Central State Telephone Company, LLC.	CENT ST	1
Other	OTHER	2
TDS Communications Solutions, Inc.	TDS CS	3
TDS Telecommunications Corporation	TDS TC	4
TDS Telecom Service Corporation	TDS TEL	5

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing.

Particulars (a)	(b)	(c)	(d)	(e)
Docket	0005TI000124	0005TI000124		
Name of Affiliate	OTHER	TDS TEL		1
Designate whether billed to or from:	FROM	FROM		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C		3
Total Dollar Activity	---CONF---	---CONF---		4
Percent of affiliate's business billed to all affiliated regulated utilities	---CONF---	---CONF---		5
If cost based, rate of return on equity or markup incorporated in billings	---CONF---	---CONF---		6
Footnotes				

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	1,564		1
Motor Vehicles	2112	35,265	27,971	2
Aircraft	2113	3,189		3 c,e
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	13,951	2,809	6
Buildings	2121	67,058		7
Furniture	2122	2,750		8
Office Equipment	2123	0	0	9
General Purpose Computers	2124	317,288	6,410	10 c
TOTAL--GENERAL SUPPORT ASSETS:		441,065	37,190	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	706,367	16,046	12 c
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	328,110	16,148	16 c
TOTAL--CENTRAL OFFICE ASSETS:		1,034,477	32,194	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	0		20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		0	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	22,606		22 c
Aerial Cable	2421	242,262	1,228	23
Underground Cable	2422	10,650	0	24
Buried Cable	2423	1,501,048	77,477	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	5,305		29
Conduit Systems	2441	11,759		30 c
TOTAL--CABLE WIRE FACILITIES ASSETS:		1,793,630	78,705	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			1,564	1
2112	16,230		47,006	2
2113		(3,189)	0	3 c,e
2114			0	4
2115			0	5
2116	7,500		9,260	6
2121	2,842		64,216	7
2122			2,750	8
2123	0	0	0	9
2124		(190,626)	133,072	10 c
	26,572	(193,815)	257,868	
2211			0	11
2212	30,436	24,730	716,707	12 c
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	21,602	34,491	357,147	16 c
	52,038	59,221	1,073,854	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	0	0	0	
2411		(821)	21,785	22 c
2421	2,130	0	241,360	23
2422	0	0	10,650	24
2423	34,401	0	1,544,124	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			5,305	29
2441		821	12,580	30 c
	36,531	0	1,835,804	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
AMORTIZABLE ASSETS				
Leasehold Improvements	2682	0		32
Intangibles	2690	0	2,900	33 c
TOTAL--AMORTIZABLE ASSETS:		0	2,900	
TOTAL TELECOM. PLANT IN SERVICE	2001	3,269,172	150,989	
Less: Allocation to Nonregulated Activity - EOY	2001			34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001			

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690		190,628	193,528	33 c
	0	190,628	193,528	
	115,141	56,034	3,361,054	
2001			0	34
			3,361,054	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	0		1
Company Communications Equipment	2123.2	0		2
Software	2212.1	110,708		3
Digital Switching - Central Office	2212.2	595,659	16,046	4 c
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	293,761	16,148	10 c
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	34,349		12
Aerial Cable - Nonmetallic	2421.1	83,052		13
Aerial Cable - Metallic	2421.2	159,210	1,228	14
Underground Cable - Nonmetallic	2422.1	2,469		15
Underground Cable - Metallic	2422.2	8,181		16
Buried Cable - Nonmetallic	2423.1	84,268		17
Buried Cable - Metallic	2423.2	1,416,780	77,477	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS) **(cont.)**

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			0	1
2123.2			0	2
2212.1			110,708	3
2212.2	30,436	24,730	605,999	4 c
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1	17,942	34,491	326,458	10 c
2232.2			0	11
2232.3	3,660		30,689	12
2421.1			83,052	13
2421.2	2,130		158,308	14
2422.1			2,469	15
2422.2			8,181	16
2423.1			84,268	17
2423.2	34,401		1,459,856	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
GENERAL SUPPORT ASSETS					
Motor Vehicles	2112	20,432	11.2	3,646	1d
Aircraft	2113	2,698	.0	493	2e
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	11,981	6.77	1,166	5
Buildings	2121	51,191	2.6	1,704	6d
Furniture	2122	2,669	6.3	81	7
Office Equipment	2123	0			8
General Purpose Computers	2124	210,975	14.29	18,628	9f
Total-- GENERAL SUPPORT ASSETS		299,946		25,718	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	601,893	6.46	45,943	11g
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	220,061	7.75	26,550	15g
Total-- CENTRAL OFFICE ASSETS		821,954		72,493	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	0			19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		0		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	32,673	10.0		21d
Aerial Cable	2421	213,018	2.69	6,495	22
Underground Cable	2422	4,348	4.4	468	23
Buried Cable	2423	636,343	4.33	65,935	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	9,072	19.0		28h

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	2,659	3.0	372	29
Total-- CABLE WIRE FACILITIES ASSETS		898,113		73,270	0
Total Accumulated Depreciation	3100	2,020,013		171,481	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100					
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	16,230		5,100	1	12,949	1 d
2113				(3,191)	0	2 e
2114					0	3
2115					0	4
2116	7,500				5,647	5
2121	2,842			(1)	50,052	6 d
2122					2,750	7
2123	0				0	8
2124				(125,014)	104,589	9 f
	26,572	0	5,100	(128,205)	175,987	
2211					0	10
2212	30,436			5,626	623,026	11 g
2215	0				0	12
2220					0	13
2231	0				0	14
2232	21,602			27,891	252,900	15 g
	52,038	0	0	33,517	875,926	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	0	0	0	0	0	
2411				3	32,676	21 d
2421	2,130	161			217,222	22
2422	0				4,816	23
2423	34,401				667,877	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					9,072	28 h

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					3,031	29
	36,531	161	0	3	934,694	
3100	115,141	161	5,100	(94,685)	1,986,607	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
Office Support Equipment	2123.1	0				1
Company Communications Equipment	2123.2	0				2
Software	2212.1	105,597	25.0	5,111		3
Digital Switching - Central Office	2212.2	496,296	6.8	40,832		4 c
Digital Switching - Remote	2212.3	0				5
Step by Step Switching	2215.1	0				6
Crossbar Switching	2215.2	0				7
Satellite and Earth Station Facilities	2231.1	0				8
Other Radio Facilities	2231.2	0				9
Digital Circuit Equipment	2232.1	188,200	8.5299	26,466		10 c
Analog Circuit Equipment	2232.2	0				11
Light Wave Circuit Equipment	2232.3	31,861	8.63	84		12
Aerial Cable - Nonmetallic	2421.1	18,869	5.1	4,236		13
Aerial Cable - Metallic	2421.2	194,149	6.0	2,259		14 h
Underground Cable - Nonmetallic	2422.1	224	4.4	108		15
Underground Cable - Metallic	2422.2	4,124	4.4	360		16
Buried Cable - Nonmetallic	2423.1	10,973	4.8	4,044		17
Buried Cable - Metallic	2423.2	625,370	4.4	61,891		18
Submarine Cable - Nonmetallic	2424.1	0				19
Submarine Cable - Metallic	2424.2	0				20
Intrabuilding Cable - Nonmetallic	2426.1	0				21
Intrabuilding Cable - Metallic	2426.2	0				22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					0	1
2123.2					0	2
2212.1					110,708	3
2212.2	30,436			5,626	512,318	4 c
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1	17,942			27,891	224,615	10 c
2232.2					0	11
2232.3	3,660				28,285	12
2421.1					23,105	13
2421.2	2,130	161			194,117	14 h
2422.1					332	15
2422.2					4,484	16
2423.1					15,017	17
2423.2	34,401				652,860	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	593,591	509,518	1 d
Changes:			
Balance Transferred from Income	75,800	84,073	2
Dividends Declared:			
Common		0	3
Preferred		0	4
Total Dividends Declared	0	0	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings	10	0	6
Balance--End of Year	669,401	593,591	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*			1
Basic Area Revenue (5001)	272,571	265,501	2
Optional Extended Area Revenue (5002)	834	589	3
Cellular Mobile Revenue (5003)		0	4
Other Mobile Services Revenue (5004)		0	5
Public Telephone Revenue (5010)		0	6
Local Private Line Revenue (5040)	2,902	2,902	7
Customer Premises Revenue (5050)	555	413	8
Other Local Exchange Revenue (5060)	64,746	92,268	9 j
Other Local Exchange Revenue Settlements (5069)		0	10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	341,608	361,673	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	87,816	61,137	11 k
Switched Access Revenue (5082)*	168,200	186,052	12
Special Access Revenue (5083)*	15,864	20,588	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	271,880	267,777	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*		0	14
Switched Access Revenue (5084.2)*	154,966	168,182	15
Special Access Revenue (5084.3)*	39,911	33,255	16 l
TOTAL INTRASTATE ACCESS REVENUES (5084)	194,877	201,437	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*		0	17
Long Distance Inward-Only Revenue (5111)		0	18
Long Distance Outward-Only Revenue (5112)		0	19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)		0	20
Voice Grade Revenue (5122)		0	21
Audio Program Grade Revenue (5123)		0	22
Video Program Grade Revenue (5124)		0	23
Digital Transmission Revenue (5125)		0	24
Switching Revenue (5126)		0	25
Other Revenue (5128)		0	26
Other Revenue Settlements (5129)		0	27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)		0	28
Other Long Distance Revenue Settlements (5169)		0	29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	---CONF---	---CONF---	30 m
Rent Revenue (5240)*	---CONF---	---CONF---	31
Corporate Operations Revenue (5250)*	---CONF---	---CONF---	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	---CONF---	---CONF---	33
Special Billing Arrangements Revenue (5261)	---CONF---	---CONF---	34
Customer Operations Revenue (5262)	---CONF---	---CONF---	35
Plant Operations Revenue (5263)	---CONF---	---CONF---	36
Other Incidental Regulated Revenue (5264)	---CONF---	---CONF---	37
Other Revenue Settlements (5269)	---CONF---	---CONF---	38
Total Miscellaneous Revenue (5260)	---CONF---	---CONF---	
Interstate Billing and Collection Revenue*	---CONF---	---CONF---	39 n
Intrastate Billing and Collection Revenue*	---CONF---	---CONF---	40
Total Carrier Billing and Collection Revenue (5270)*	---CONF---	---CONF---	
Nonregulated Operating Revenue (5280)**	---CONF---	---CONF---	41
TOTAL MISCELLANEOUS REVENUES	67,710	87,288	
GROSS OPERATING REVENUES	876,075	918,175	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*			42
Uncollectible Revenue--Telecommunications (5301)	1,161	736	43
Uncollectible Revenue--Other (5302)	16,958	0	44 o
TOTAL UNCOLLECTIBLE REVENUE (5300)	18,119	736	
TOTAL OPERATING REVENUES	857,956	917,439	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
Total Network Support Expense (6110)	1,622	1,942	1
Less: Nonregulated		0	2
Net Regulated	1,622	1,942	3
Total General Support Expense (6120)	16,814	23,233	4
Less: Nonregulated		0	5 p
Net Regulated	16,814	23,233	6
Total Central Office Switching Expense (6210)	6,496	9,278	7
Less: Nonregulated		0	8
Net Regulated	6,496	9,278	9
Total Operator Systems Expense (6220)	0	0	10
Less: Nonregulated		0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	19,812	15,086	13
Less: Nonregulated		0	14
Net Regulated	19,812	15,086	15
Total Information Orig. / Term. Expense (6310)	0	0	16
Less: Nonregulated		0	17
Net Regulated	0	0	18
Total Cable and Wire Fac. Expense (6410)	61,499	61,573	19
Less: Nonregulated		0	20
Net Regulated	61,499	61,573	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	106,243	111,112	
Less: Nonregulated	0	0	
Net Regulated	106,243	111,112	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)	0	1,803	22
Less: Nonregulated		0	23
Net Regulated	0	1,803	24
Total Network Operations Expense (6530)	52,560	47,782	25
Less: Nonregulated		0	26
Net Regulated	52,560	47,782	27
Access Expense (6540)	5,349	3,050	28
Less: Nonregulated		0	29
Net Regulated	5,349	3,050	30
Total Depreciation and Amortization Expense (6560)	197,683	218,234	31
Less: Nonregulated		0	32
Net Regulated	197,683	218,234	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	255,592	270,869	
Less: Nonregulated	0	0	
Net Regulated	255,592	270,869	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	38,323	41,799	34
Less: Nonregulated		0	35
Net Regulated	38,323	41,799	36
Total Services (6620)	121,905	131,538	37
Less: Nonregulated		0	38
Net Regulated	121,905	131,538	39
TOTAL CUSTOMER OPERATIONS EXPENSE	160,228	173,337	
Less: Nonregulated	0	0	
Net Regulated	160,228	173,337	
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	20,496	24,008	40
Less: Nonregulated		0	41
Net Regulated	20,496	24,008	42
Total General and Administrative (6720)	134,975	142,883	43
Less: Nonregulated		0	44
Net Regulated	134,975	142,883	45
Provision for Uncollectible Notes Receiv. (6790)	0	0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
TOTAL CORPORATE OPERATIONS EXPENSE	155,471	166,891	
Less: Nonregulated	0	0	
Net Regulated	155,471	166,891	
TOTAL EXPENSES	677,534	722,209	
Less: Nonregulated	0	0	
Net Regulated	677,534	722,209	

EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. (6511)	0	0	1
Provisioning Expense (6512)	0	1,803	2
Total: Reported in Account 6510	0	1,803	
Depreciat. Exp.--Tele. Plant in Service (6561)	170,100	218,234	3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)	0	0	4
Amortization Expense--Tangible (6563)	0	0	5
Amortization Expense--Intangible (6564)	27,090	0	6
Amortization Expense--Other (6565)	493	0	7
Total: Reported in Account 6560	197,683	218,234	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	876,075	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year	18,119	3
Plus: Total Other Operating Income and (Expense) (7100)	240	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	858,196	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	341,608	1
Plus: Total Intrastate Access Revenues (5084)	194,877	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): N/A	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	536,485	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	876,075	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year	18,119	3
Plus: Total Other Operating Income and (Expense) (7100)	240	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	858,196	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	341,608	1
Plus: Total Intrastate Access Revenues (5084)	194,877	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): N/A	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	536,485	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)	240	240	1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)		0	2
Operating Federal Income Taxes (7220)	31,922	73,539	3
Operating State and Local Income Taxes (7230)	15,889	17,701	4
Operating Other Taxes (7240)	22,498	26,832	5
Provision for Deferred Operating Income Taxes--Net (7250)	13,908	(32,825)	6
TOTAL OPERATING TAXES (7200)	84,217	85,247	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)		0	7
Interest Income (7320)	3,273	5,880	8
Income from Sinking and Other Funds (7330)		0	9
Allowance for Funds Used During Construction (7340)		0	10
Gains or (Losses) from the Disposition of Certain Property (7350)		0	11
Other Nonoperating Income (7360)		0	12
Special Charges (7370)	795	1,677	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	2,478	4,203	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	561	778	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	26,571	29,927	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)	0	0	16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	4,009	352	17

NONREGULATED ACTIVITIES

List the type of nonregulated activities that the company is involved in.

Nonregulated Activity (a)	
1 & 2 line phones, business systems and inside wiring.	1
Direct Broadcast Satellite (DBS) where available.	2
Internet service where available.	3
Mobile equipment where tariff allows and where available.	4
Paging service where tariff allows and where available.	5
Voicemail service where tariff allows and where available.	6

EMPLOYEE DATA - END OF YEAR

Report employee data based on primary allocation of respective wages and salaries.

Particulars (a)	Employees (b)	
Plant Operations		
Supervisory & Management		1
Central Office	1	2
Outside Plant	1	3
Building & Service		4
Other		5
Customer Operations		
Supervisory & Management		6
Operators		7
Business Office	1	8
Other		9
Corporate Operations		
Executive & General Management		10
Accounting & Finance		11
External Relations		12
Human Resources		13
Information Management		14
Legal		15
Procurement		16
Research & Development		17
Other		18
Other		
All Other Employees, Not Listed Above		19
Total Employees	3	
Part-Time Employees	1	20
Full-Time Employees	2	21
Total Part-Time and Full-Time Employees	3	

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	---CONF---	---CONF---	1 A
Extended Area Service	---CONF---	---CONF---	2 A
Extended Community Calling	---CONF---	---CONF---	3 A
Other Local-Undefined	---CONF---	---CONF---	4 A
Total Local	0	0	
TOLL			
Toll	176	617	5
Total Toll	176	617	
Total Local & Toll	176	617	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	1
Feature Group A -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	2
Feature Group B -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	3
Feature Group B -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	4
Feature Group C -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	5
Feature Group C -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	6
Feature Group D -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	7
Feature Group D -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	6	1
Strand miles of plant - fiber optics	481	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	---CONF---	---CONF---	1 B
56 kbps	---CONF---	---CONF---	2
64 kbps (DS0)	---CONF---	---CONF---	3 B
1.54 Mbps (DS-1)	---CONF---	---CONF---	4
45 Mbps (DS-3)	---CONF---	---CONF---	5 B
SONET OC-1	---CONF---	---CONF---	6
SONET OC-3	---CONF---	---CONF---	7
SONET OC-12	---CONF---	---CONF---	8
SONET OC-48	---CONF---	---CONF---	9
SONET OC-192	---CONF---	---CONF---	10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	6	1
Strand miles of plant - fiber optics	481	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	---CONF---	---CONF---	1 B
56 kbps	---CONF---	---CONF---	2
64 kbps (DS0)	---CONF---	---CONF---	3 B
1.54 Mbps (DS-1)	---CONF---	---CONF---	4
45 Mbps (DS-3)	---CONF---	---CONF---	5 B
SONET OC-1	---CONF---	---CONF---	6
SONET OC-3	---CONF---	---CONF---	7
SONET OC-12	---CONF---	---CONF---	8
SONET OC-48	---CONF---	---CONF---	9
SONET OC-192	---CONF---	---CONF---	10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	---CONF---	---CONF---	3
2 Party	---CONF---	---CONF---	4
4 Party	---CONF---	---CONF---	5
PBX Trunks/System Trunks	---CONF---	---CONF---	6
Centrex Trunks	---CONF---	---CONF---	7
Centrex Lines	---CONF---	---CONF---	8
Key System Trunks	---CONF---	---CONF---	9
Mobile (Utility Provided Service)	---CONF---	---CONF---	10
Paging (Utility Provided Service)	---CONF---	---CONF---	11
FX-Out (Switched)	---CONF---	---CONF---	12
Pay Telephone	---CONF---	---CONF---	13
Coin-Operated Pay Telephone	---CONF---	---CONF---	14
Independent Pay Telephone Provider	---CONF---	---CONF---	15
Other	---CONF---	---CONF---	16
Total Business Lines	363	365	17
Residential (Incl. Emp. Concess.)			
1 Party	---CONF---	---CONF---	18
2 Party	---CONF---	---CONF---	19
4 Party	---CONF---	---CONF---	20
FX-Out (Switched)	---CONF---	---CONF---	21
Other	---CONF---	---CONF---	22
Total Residential Lines	833	817	23
Total Bus & Res Lines	1,196	1,182	24
Company Used Lines	46	46	25
Total Lines Used	1,242	1,228	26
			27

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	---CONF---	---CONF---	3
WATS Lines - 800 Service	---CONF---	---CONF---	4
FX-In-intraLATA	---CONF---	---CONF---	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	---CONF---	---CONF---	7
Special Access-interLATA			8
(expressed in equiv. access lines)	---CONF---	---CONF---	9
Feature Group A Lines	---CONF---	---CONF---	10
Feature Group B Trunks	---CONF---	---CONF---	11
Feature Group C Trunks	---CONF---	---CONF---	12
Feature Group D Trunks	---CONF---	---CONF---	13
TSPS - Trunks	---CONF---	---CONF---	14
EAS - Trunks	72	120	15
Cellular Trunks (Pub. Sw. Net.)	---CONF---	---CONF---	16
Video Distance Learning	1	2	17
- discounted (special tariff)			18
Customers			
Lifeline Customers	0	34	20
Linkup Customers	4	3	21
Other			
Total Company Square Miles	119	119	23
Total Company Route Miles	292	295	24
Footnotes			25

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0060				1
Business					2
1 Party	---CONF---				3
2 Party	---CONF---				4
4 Party	---CONF---				5
PBX Trunks/System Trunks	---CONF---				6
Centrex Trunks	---CONF---				7
Centrex Lines	---CONF---				8
Key System Trunks	---CONF---				9
Mobile (utility provided service)	---CONF---				10
Paging (utility provided service)	---CONF---				11
FX-Out (Switched)	---CONF---				12
Pay Telephone	---CONF---				13
Coin-Operated Pay Telephone	---CONF---				14
Independent Pay Telephone Provider	---CONF---				15
Other	---CONF---				16
Total Business Lines	365	0	0	0	17
Residential (Incl. Emp. Concess.)					18
1 Party	---CONF---				19
2 Party	---CONF---				20
4 Party	---CONF---				21
FX-Out (Switched)	---CONF---				22
Other	---CONF---				23
Total Residential Lines	817	0	0	0	24
Total Bus & Res Lines	1,182	0	0	0	25
Company Used Lines	46				26
Total Lines Used	1,228	0	0	0	27

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0060				1
Miscellaneous					2
WATS Lines - OutWATS	---CONF---				3
WATS Lines - 800 Service	---CONF---				4
FX-In-intraLATA	---CONF---				5
Special Access-intraLATA (equiv. access lines)	---CONF---				6
Special Access-interLATA (equiv. access lines)	---CONF---				7
Feature Group A Lines	---CONF---				8
Feature Group B Trunks	---CONF---				9
Feature Group C Trunks	---CONF---				10
Feature Group D Trunks	---CONF---				11
TSPS - Trunks	---CONF---				12
EAS - Trunks	120				13
Cellular Trunks (Pub. Sw. Net.)	---CONF---				14
Video Distance Learning					15
- discounted (special tariff)	2				16
Other					17
Exchange Square Miles	119				18
Exchange Route Miles	295				19
Footnotes					20
					21
					22

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
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Lucent	ATT/LUC	5
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Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	ALMA				1
PSCW Exchange ID	0060				2
Central Office Name	ALMA				3
PSCW Central Office ID	1				4
Central Office CLLI Code	ALMAWIXADS0				5
Manufacturer of COE (Page 54)	SC				6
Year COE Installed	1990				7
Type of Equipment (Page 54)	D				8
(S)tandalone, (H)ost, (R)emote, (A)dv Fiber Comm	S				9
Remote Host PSCW Exchange ID					10
Remote Host PSCW Central Office ID					11
COE Generic Software Release No.	20.0				12
SS7?	No				13
9-1-1?	Yes				14
Access Lines - In Use	1,230				15
- Equipped	1,412				16
- Wired	1,656				17
Trunks - In Use	238				18
- Equipped	384				19
- Wired	384				20
ISDN Available?	No				21
ISDN Lines - In Use (BRI)	---CONF---				22
- In Use (PRI)	---CONF---				23
XDSL Available?	No				24
- In Use (# lines)	---CONF---				25
Switched 56 Service?	Yes				26
Switched 56 lines in use	---CONF---				27
Digital Transmission Facilities: DS-1 - In Use	---CONF---				28
DS-3 - In Use	---CONF---				29
Advanced Data Service Available:					
Packet Switching?	No				30
SMDS?	No				31
Frame Relay?	No				32
ATM (Asynchronous Trans. Mode)?	No				33
Video Information - Service Available?	Yes				34
- In Use (# lines) ¹	---CONF---				35
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	40				36
No. of fiber strands working (LIT) in C.O.	---CONF---				37
No. of fiber strands for interoffice use	8				38
Miles of fiber sheath in wire center	6				39
Access Tandem Serving this C.O.:					
- C.O. Name	LACROSSE				40
- PSCW C.O. ID	2770-03				41
Does this C.O. do access tandem switching?	No				42
Footnotes					43

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Schedule Line Footnotes

- A) This information is not available.
- B) The Company does not have these types of circuits in service.
- C) Amounts listed on pages 22 and 24, in column (g) and pages 26 and 28, column (k) are reclasses between accounts or transfers with affiliates.
- D) The dollars showing in A/C 2113 - Aircraft actually consist of general support assets under \$2,000 and are the result of the FCC docket No. 95-60 for accounting and reporting general support assets under \$2,000.
- e) The dollars showing in a/c 2113 - Aircraft actually consist of general support assets under \$2,000 and are the result of the FCC docket No. 95-60 for accounting and reporting general support assets under \$2,000.
- f) Software was moved to Intangibles in 2002.
- g) Reclass between accounts or affiliated companies.
- h) Accumulated Depreciation is greater than the asset balance because we are allowed to depreciate more than 100% of the account group, per the WI PSC.
- j) Decrease is due to a decrease in the Universal Service Fund reimbursement.
- k) Increase is due to a change in the monthly NECA reporting.
- l) Increase is due to increased access contracts.
- m) Decrease is a result of this category now being netted with Directory Expense. Break out of expenses is no longer tracked separately.
- n) Decrease due to new B&C contracts beginning in 2002.
- o) Increase is due to Global Crossing and MCI Worldcom declaring bankruptcy.
- p) Decrease is due to a decrease in building and facility related expenses.